(iv) Banks have been asked to issue Kisan Credit Cards to all eligible farmers.

(v) Financing of Self Groups is being emphasised.

(vi) A project has been initiated for lending by banks to joint liability groups of tenant farmers and oral lessees.

Expansion of financial sectors

†613. SHRI RAJ MOHINDER SINGH MAJITHA:
DR. MURLI MANOHAR JOSHI:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Treasury Secretary of America John Snow had urged that financial sectors of India should be expanded with a view to encourage foreign exchange;

(b) if so, when such request was made;

(c) whether it is also fact that Government have decided to increase foreign exchange investment in financial sector, insurance and also in estate construction companies, and

(d) if so, the date of decision taken alongwith details of benefit to the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The US Treasury Secretary, John W. Snow led an official delegation to India to co-chair the India-U.S. Financial & Economic Forum on 9th November 2005. The delegations *inter-alia* discussed India's efforts to strengthen its financial system and lower the costs of financial intermediation.

(c) and (d) In terms of Foreign Direct Investment (FDI) Policy, FDI is permitted in: (i) 19 NBFC activities, upto 100% (subject to minimum capitalization norms); (ii) Banking Sector, subject to caps; (iii) Asset Reconstruction Companies, subject to caps, Separately, in Insurance Sector, FDI is permitted subject to caps.

Presently, FDI is allowed upto 100% under the automatic route in township, housing built-up infrastructure and construction-development

†Original notice of the question was received in Hindi.

projects subject to guidelines notified vide Press Note 2 (2005 series) dated 03.03.2005 issued by Department of Industrial Policy and promotion.

Review of FDI policy is an ongoing process. In general, FDI inflows augment domestic investible resources.

ATM card facilities in rural areas

†614. DR. PRABHA THAKUR: Will the Minister of FINANCE be pleased to state:

(a) whether Government have introduced the proposed ATM card facilities in the rural areas of the country;

(b) if so, the number of villages in Rajasthan specifically in Jaipur and Ajmer region, earmarked by Government for providing ATM card facilities in first phase; and

(c) the details of beneficiary villages thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (d) The policy for opening of ATMs of Banks has been liberalized and banks have been given the freedom to open ATMs at locations of their choice without seeking prior approval of RBI. Government does not give any direction to Banks for earmarking any specific region for providing ATM card facilities. ATM Cards are issued by banks to their customers at locations where ATMs have been set up. Some of the Banks which have ATMs in the rural areas have also issued ATM cards to their customers.

World Bank loans to Rajasthan

†615. DR. PRABHA THAKUR: Will the Minister of FINANCE be pleased to state:

(a) the names of schemes for which World Banks has issued loan to the State Government of Rajasthan so far alongwith the terms and conditions laid by World Bank for these loans; and

†Original notice of the question was received in Hindi.